

Minnesota Department of Labor and Industry
Workplace Safety Consultation

Minnesota Safety and Health Achievement Recognition Program (MNSHARP)



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Minnesota Safety and Health Achievement Recognition Program **— MNSHARP —**

- I. **Recognition and exemption programs** – OSHA encourages small, high-hazard employers to operate exemplary safety and health management systems by offering participation in recognition and exemption programs. The federal recognition and exemption program is known as the Safety and Health Achievement Recognition Program (SHARP). Programs operating in states with approved state plans may be known by other names, but the term SHARP is used here to refer to the basic minimum requirements of any recognition and exemption program run by an OSHA Consultation Project, regardless of whether it is under state or federal jurisdiction.
- II. **Safety and Health Achievement Recognition Program (SHARP)** – Employers that meet all of the eligibility criteria and on-going program requirements outlined below may be removed from OSHA's programmed inspection schedule for a period of not less than one year.
 - A. ***Employer's eligibility*** – To be considered for participation in SHARP, an employer must:
 1. Employ not more than 250 employees at the site and not more than 500 at all sites corporation-wide.
 2. Be in an industry that is on OSHA's high-hazard list or a supplemental high-hazard list approved by the director of federal-state operations or be on any national, state or locally approved special-emphasis program list.
 3. Be a single, fixed worksite. (Multiple worksites under common control must be evaluated and approved separately. Employers at mobile worksites such as logging, long shoring, construction, etc., may not participate in SHARP.)
 4. Have at least one year of operating history, to have established a days away restricted transfer (DART) rate and total case incident rate (TCIR). See Appendices A and B for rate calculation formulas.
 5. Have reduced the DART rate and TCIR at the worksite to below the industry average. See Appendices A and B for rate calculation formulas.
 - B. ***Program requirements*** – Employers requesting consideration for SHARP must:
 1. Request a full-service, comprehensive visit and correct all hazards (serious and other-than-serious) identified by the consultant.
 2. Have implemented and now maintains a safety and health management system addressing, at a minimum, the major elements of the 1989 Safety and Health Program Management Guidelines. Although a written safety and health management system as described in the 1989 guidelines is not a requirement for participation in SHARP, OSHA strongly recommends it.
 3. Score at least two on all 50 basic attributes of the Safety and Health Program Assessment Worksheet (revised OSHA Form 33).
 4. Agree to notify the consultation project manager prior to making any changes in working conditions or work processes that might introduce new hazards into the workplace.
 - C. ***Employers with existing exemplary programs*** – If an employer has already satisfied all SHARP participation criteria described in paragraphs A and B above, the consultation project manager may recommend the site for final approval.
 - D. ***Safety and health consultant responsibilities*** –
 1. ***Verification of employer's eligibility*** – The safety and health consultant must ensure the employer satisfies all SHARP participation criteria as described in paragraphs A and B above and that all elements of an effective safety and health management system are fully operational.

- a. If hazards are found during the on-site evaluation, the safety and health consultant must be confident that the safety and health management system will still operate effectively. If the hazards found reflect deficiencies in the safety and health management system, the site cannot be recommended for SHARP approval until the deficiencies have been corrected and the consultant is confident the system will operate effectively.
 2. *Submission of SHARP requests for approval* – After ensuring the employer has met all requirements above, the consultation project manager must obtain a signed letter from the employer requesting SHARP approval. The consultation project manager must then submit the employer's request to the Workplace Safety Consultation director with the following:
 - a. The MNSHARP Team recommendation for SHARP approval.
 - b. The site's DART rate, TCIR and the national averages for that industry.
 - c. The SHARP log, including the date and type of each consultation visit conducted during the time the employer was working toward SHARP approval.
 - d. A copy of the completed Safety and Health Program Assessment Worksheet (revised OSHA Form 33) for safety and health visits.
 3. *Notification of approval* – If the SHARP request is approved, the consultation director must inform the employer that the exemption period will extend for a period of one year from the date of issuance of the certificate of recognition.
- E. ***Workplace Safety Consultation director responsibilities*** – Upon receipt of written verification that the employer has met all of the SHARP requirements, the consultation director must:
 1. Provide a copy of the SHARP certificate to the employer, including the company's name, location and period of exemption.
 2. Notify the appropriate OSHA area director, so the company can be removed from the OSHA general programmed inspection schedule for the approved exemption period, which begins on the date the Department of Labor and Industry commissioner approves the employer's participation in SHARP.
 3. Provide a copy of the SHARP certificate and a copy of the transmittal letter to the safety and health consultants for the case file.
 4. Notify the national office via the consultation project officer's monthly update.
- F. ***Exemption period*** – The initial exemption period is one year. The renewal exemption period is one or two years, based on the recommendation of the consultation team.
- G. ***Changes that may affect a SHARP employer's eligibility*** –
 1. *Relocation* – Employers planning to relocate their facilities must notify the consultation project manager 60 days in advance of the move; a consultant must visit the new site within 30 days after the new site becomes operational to ensure the safety and health management system is in place. If this is not the case, the consultation project manager must ask the employer to withdraw from the program.
 2. *Change in ownership* – Whenever ownership or major organizational changes occur that may impact the safety and health management system, the safety and health consultant must discuss the changes with the employer and schedule an on-site visit, if necessary.
- H. ***Inspections at SHARP sites*** – The following types of incidents trigger inspections at SHARP sites:
 1. Imminent danger
 2. Fatality or catastrophe
 3. Formal complaints
 4. Follow-up of previously cited violations that have not become final orders

- I. **Fatalities or catastrophes at a SHARP site** – In the case of a fatality or catastrophe at a SHARP site, the employer must notify the OSHA area office within eight hours of the incident. The area director must notify the consultation director as soon as possible after notification of the incident. Until all citations have been issued, consultation personnel must not discuss with the employer any issues related to the fatality or catastrophe. After all citations have been issued, the consultation director must evaluate the SHARP status of the worksite using the following criteria:
 1. If no citation is issued, an on-site visit must be conducted to ensure all elements of the safety and health program are still effective.
 2. If a serious or repeat citation is issued, a consultant must conduct an on-site visit to ensure the safety and health management system is operating effectively.
 - a. If the consultant believes there is a connection between a serious citation and reduced effectiveness of the safety and health management system, the consultation director must recommend that the SHARP employer withdraw from the program.
 - b. If the consultant believes there is no connection, the employer must be counseled about how to prevent a recurrence.
 3. If a willful citation is issued or there is evidence the site's application or annual self-evaluations were falsified, the employer must be asked to withdraw from the program. If the employer does not withdraw voluntarily within five working days, participation must be terminated. The employer may re-apply 12 months after withdrawal or termination.
- J. **Renewal requirements** – Employers at SHARP sites must apply for renewal during the last quarter of the exemption period. The consultation director may authorize the employer to submit a written request for SHARP renewal and then follow the steps under paragraph D above, provided the following steps have been taken:
 1. The consultation director must provide a full-service, comprehensive visit to ensure the safety and health management system has been effectively maintained or improved.
 2. The employer must continue to meet all eligibility criteria and program requirements described in paragraphs A and B above, and the site's injury and illness data must be calculated using the multi-year method described in Appendices A and B.
 3. As a condition of receiving a two-year exemption period upon qualifying for renewal of SHARP status, the employer must agree to conduct an interim-year self-evaluation and submit a written report based on the required elements of the 1989 Safety and Health Program Management Guidelines and includes OSHA 300 log data. See Appendix F for a template for this report.
- K. **Failure to maintain program requirements** – If an employer fails to maintain the participation criteria outlined in this chapter, the consultation director should give the employer the opportunity to voluntarily withdraw from the program.
- L. **Voluntary withdrawal from the program** – Any approved SHARP participant may withdraw at any time. Withdrawal may occur as a result of a plant closing, economic difficulty, a change in management or at the request of the consultation director. To withdraw, the employer must send a letter explaining the withdrawal and return the SHARP certificate to the consultation director. The withdrawal is effective immediately upon receipt of the letter. The consultation director must request that the Department of Labor and Industry commissioner approve the employer's withdrawal from SHARP.
- M. **Termination** – If an employer fails to maintain the participation criteria outlined in this chapter and refuses the opportunity to voluntarily withdraw from the program, the consultation director must request that the Department of Labor and Industry commissioner terminate the employer's participation in SHARP. The employer and the area office must be notified in writing when SHARP participation

is terminated. The written notice must contain the reason(s) for termination and outline the requirements for re-entry into the program.

- III. **Inspection deferral status** – An employer that meets all of the eligibility requirements for SHARP, corrects all hazards identified during the consultation visit and shows reasonable promise of achieving milestones and time frames agreed upon with the consultant may be granted inspection deferral. The deferral time frame recommended by the consultation director, including extensions, must not exceed a total of 18 months from the expiration of the correction due date(s). All of the following criteria must be met prior to granting an inspection deferral.

A. ***Employer's obligations and employees' rights*** – The employer must:

1. Post the list of hazards identified by the consultant.
2. Provide information about all serious hazards identified by the consultant to employees and inform employees when hazards are corrected.
3. Correct all hazards identified by consultants.
4. Show evidence of having the foundation of a safety and health management system.
5. Implement the action plan developed by the consultant outlining the necessary achievements and time frames required for the employer to achieve SHARP status. The employer must provide progress reports to the consultation director.
6. Post a letter from the WSC director approving inspection deferral status. At sites having recognized employee representatives, the employer must notify the employee representative(s) of the employer's intention to participate in SHARP and involve the recognized employee representative in the process.
7. Agree to a full-service, comprehensive visit at the end of the deferral period, which initiates the SHARP application process.
8. Agree to notify the consultation director prior to making any changes in working conditions or work processes that might introduce new hazards into the workplace.
9. Involve employees in the safety and health management system, including the implementation of the action plan.
10. Be capable of reducing the site's DART rate and TCIR to below the industry national average within the deferral period.

B. ***Safety and health consultant responsibilities*** – The safety and health consultant must:

1. Conduct an follow-up on-site visit to verify correction of all serious hazards and compliance with requirements to post the list of hazards and other employee information requirements.
2. Develop and negotiate an action plan to be implemented by the employer. The action plan must outline a goal, a recommended method of correction and an expected completion date for each attribute of the Safety and Health Program Assessment Worksheet (revised OSHA Form 33) that received a rating of less than two. The consultant should refer to the requirements of the 1989 Safety and Health Program Management Guidelines as needed to develop the action plan. See Appendix E for an action plan template.
3. Determine if the employer is capable of meeting all SHARP requirements within the deferral period, including DART rate and TCIR requirements.
4. Provide a signed notice of intent to participate in SHARP, to be posted by the employer. If, at a site having a recognized employee representative, an employee representative objects to the site's involvement in SHARP, the consultant must advise the employer that the application cannot go forward until labor and management agree on the issue.
5. Recommend a deferral period (not to exceed a total of 18 months, including extensions, from the end of the correction due dates) to the WSC director.
6. Request that the WSC director terminate the employer's inspection deferral status, if the employer does not meet the program requirements.

C. WSC director responsibilities –

1. *Inspection deferral* – The WSC director may grant an inspection deferral for the period recommended by the consultant and notify the appropriate area office of the deferral. Prior to granting a deferral, the WSC director must ensure:
 - a. The DART rate and TCIR requirements have been met or are likely to be met.
 - b. The employer has the foundation of a safety and health management system.
 - c. The action plan adequately outlines the goal, recommended method of correction and an expected completion date for each attribute of the Safety and Health Program Assessment Worksheet (revised OSHA Form 33) that received a rating of less than two.
2. *Termination of deferral* – The WSC director must notify the employer and the area office in writing when an employer's inspection deferral status is terminated. The letter must contain the reason(s) for termination and outline the requirements for re-entry into the program.

Appendix A

Days away restricted transfer (DART) rate

The annual DART rate is calculated according to the following formula:

$$\text{DART rate} = \frac{\text{Total \# of recordable injuries and illnesses} \times 200,000}{\text{\# employee hours worked}}$$

Where:

- # of recordable injuries and illnesses = sum of column H and column I from the OSHA 300 log in the reference year.
- # of employee hours worked = sum of employee hours worked in the reference year.
- 200,000 = base for 100 full-time workers working 40 hours a week, 50 weeks a year.

Sample one-year DART rate calculation:

In calculating the DART rate of an establishment scheduled for inspection in October 2001, injury and illness cases and employment data for the preceding calendar-year is used.

of DARTs in 2000 = 5

of workers employed in 2000 = 54

of employee hours in 2000 = 54 workers x 40 hours x 50 weeks = 108,000

$$\begin{aligned}\text{DART rate} &= \frac{5 \times 200,000}{108,000} \\ &= \frac{1,000,000}{108,000} \\ &= 9.26 \text{ (rounded to 9.3)}\end{aligned}$$

Sample two-year DART rate calculation:

An establishment scheduled for inspection in October 2002, employed an average of 50 workers in 2001 and 54 workers in 2000. The injury and illness cases and employment data for the two preceding calendar-years will be used.

of DARTs in 2000 = 5

of DARTs in 2001 = 6

of employee hours worked in 2000 = 108,000

of employee hours worked in 2001 = 100,000

Two-year DART rate =

$$\begin{aligned}& \frac{5 \text{ [(year 1 \# DART)} + 6 \text{ (year 2 \# DART)} \times 200,000}{108,000 \text{ (year 1 \# employee hours worked)} + 100,000 \text{ (year 2 \# employee hours worked)}} \\ &= \frac{(5 + 6) \times 200,000}{108,000 + 100,000} \\ &= \frac{2,200,000}{208,000} \\ &= 10.58 \text{ (rounded to 10.6)}\end{aligned}$$

Three-year DART rate calculation:

When determining the rate for an employer that has been in MNSHARP for two or more years, calculate the DART rate as in the two-year sample above, but include the third year data.

Appendix B

Total recordable case incident rate (TCIR)

The total recordable case incident rate (TCIR) is the rate of total nonfatal injuries and illnesses for the calendar-year reviewed. The TCIR is compared to the rate in the column of total cases that most precisely corresponds to the standard industrial classification (SIC) code of the site under review. The column of total cases is found in the table of incidence rates as reported in the annual BLS data about occupational injuries and illnesses.

The annual TCIR is calculated according to the following formula:

$$\text{TCIR} = \frac{(\# \text{ of recordable injuries} + \# \text{ of recordable illnesses}) \times 200,000}{\# \text{ of employee hours worked}}$$

Where:

- # of recordable injuries + # of recordable illnesses = sum of columns G, H, I and J from the OSHA 300 log in the reference year.
- # of employee hours worked = sum of employee hours worked in the reference year.
- 200,000 = base for 100 full-time workers working 40 hours a week, 50 weeks a year.

Sample one-year TCIR calculation:

An establishment scheduled for inspection in October 2001, employed an average of 54 workers in 2000. Therefore, injury and illness cases and employment data for the preceding calendar-year will be used.

of recordable injuries = 9
of recordable illnesses = 4
of employee hours worked in 1998 = 54 workers x 40 hours x 50 weeks = 108,000

$$\begin{aligned}\text{TCIR} &= \frac{(9 + 4) \times 200,000}{108,000} \\ &= \frac{2,600,000}{108,000} \\ &= 24.07 \text{ (rounded to 24.1)}\end{aligned}$$

Sample two-year TCIR calculation:

An establishment scheduled for inspection in October 2002, employed an average of 50 workers in 2001, and 54 workers in 2000. The injury and illness cases and employment data for the two preceding calendar-years will be used.

In calendar-year 2000:

of recordable injuries = 9
of recordable illnesses = 4
of employee hours worked = 108,000

In calendar-year 2001:

of recordable injuries = 14
of recordable illnesses = 7
of employee hours worked = 100,000

Two-year TCIR =

$$\frac{9 + 4 \text{ (year 1 recordable data)} + 14 + 7 \text{ (year 2 recordable data)} \times 200,000}{108,000 \text{ (year 1 \# emp. hours worked)} + 100,000 \text{ (year 2 \# emp. hours worked)}}$$

$$= \frac{(9 + 4 + 14 + 7) \times 200,000}{108,000 + 100,000}$$

$$= \frac{6,800,000}{208,000}$$

$$= 32.69 \text{ (rounded to 32.7)}$$

Three-year TCIR calculation:

When determining the rate for an employer that has been in MNSHARP for two or more years, calculate the TCIR as in the two-year sample above, but include the third-year data.

Appendix C

Notice of application to participate in MNSHARP

This is to notify all affected employees of my intention to participate in the Minnesota Safety and Health Achievement Recognition Program (MNSHARP). MNSHARP was established by the Minnesota Department of Labor and Industry, Workplace Safety Consultation (WSC), and is operated with the assistance of the state consultation program. It provides special recognition to employers that establish comprehensive and effective workplace safety and health programs, correct all identified hazards and meet other program requirements.

After approximately a one-year probationary period, I intend to pursue the MNSHARP award, which carries with it an exemption from programmed MNOSHA inspections through the Department of Labor and Industry's Minnesota Occupational Safety and Health Administration (MNOSHA) and Workplace Safety Consultation units.

A series of complete on-site consultation safety and health surveys of this establishment is in progress. I have agreed voluntarily to eliminate all hazards identified through the on-site consultation surveys. All employees will have an opportunity to see a summary that describes the hazards identified by the consultant. This summary will be posted when the hazards have been eliminated.

I will implement and continue to maintain an effective safety and health program, in accord with guidelines required for MNSHARP participation.

I have agreed to call WSC for further assistance in the event I implement new work processes that may result in new hazards.

I understand during the first-year probationary period, this facility will not continue to be subject to MNOSHA programmed inspections. A performance review conducted by WSC at the conclusion of the preparation period will determine eligibility for continued participation in MNSHARP. In addition to successfully completing the performance review, I must submit a letter verifying all identified hazards have been corrected, an effective safety and health program is operating, and that I wish to continue participating in MNSHARP. This facility will then be eligible for a MNSHARP award and will be removed from MNOSHA's programmed inspection lists for a period of one year, starting from the date that all award requirements have been met. At the end of that year, this facility's safety and health program will be re-evaluated for continued MNSHARP participation at a higher award level and for a two-year exemption from MNOSHA programmed inspections.

I understand MNSHARP participation will not affect completion of any programmed inspections in progress, including those involving a pending follow-up on previously cited violations or a "cross referral" from safety to health inspectors, or vice versa. I also understand MNOSHA may continue to inspect this worksite in response to a fatality or catastrophe, an employee complaint or a serious chemical leak or spill.

Signature of employer

Title

Date

(Note: This notice must be printed on company stationery. It is to be posted prominently next to the MNOSHA poster.)

Appendix D
Sample employer award letter to WSC director

Date

Dear (WSC director):

All hazards identified during the on-site consultation visit by your consultant have been corrected; all elements of an effective safety and health program are operational. [The consultant may require more detailed explanation in a separate communication.] These actions have been verified by your on-site visit or by my confirmation letter.

In addition, I have posted my *Notice of application to participate in MNSHARP* and a listing of corrected hazards for all employees to see.

I agree to contact you should major changes in working conditions or work processes occur. I agree to submit OSHA 300 log records for each year during the award period. I also agree to random on-site visits by consultants during the award period to ensure all conditions for the award are being maintained.

Therefore, I request you forward this written assurance and request for a MNSHARP award and certificate of recognition to the commissioner of the Department of Labor and Industry.

Signature of employer

Date

Complete company name

Complete company mailing address

[This sample letter provides the necessary information to which employers must attest before the WSC director can request the DLI commissioner to grant the award.]

Appendix E
Sample employer letter to WSC director to request renewal in MNSHARP

Date

Dear (WSC director):

All hazards continue to be identified and corrected; all elements of an effective safety and health program are operational. [The consultant may require more detailed explanation in a separate communication.] These actions have been verified by your on-site visit or have been confirmed by my letter.

In addition, I have posted my *Notice of application to participate in MNSHARP* and a copy of this request letter for all employees to see.

Therefore, I request you forward this written assurance and request for continued MNSHARP participation and a certificate of recognition to the commissioner of the Department of Labor and Industry.

Signature of employer

Date

Complete company name

Complete company mailing address

[This sample letter provides the necessary information to which employers must attest before the WSC director can request the commissioner to grant a MNSHARP extension and continued participation. Consultants should provide employers with a copy of this letter or advise them of the required items to include in such letters.]

Appendix F

Sample acceptance letter

Dear (MNSHARP applicant):

Thank you for your request for (continued) participation in the MNSHARP program. We are very pleased to inform you and your employees that you have been selected for (continued) participation in the program. Your commitment to work with your employees to develop an exemplary safety and health program identifies your workplace as one in a very select group to participate in this program.

A consultant will soon be contacting you to make an appointment to evaluate your worksite and to provide you with further instruction.

We look forward to helping you achieve final/continued certification in MNSHARP and awarding the benefits of that accomplishment.

Sincerely,

WSC director

Appendix G

MNSHARP information for employers

The U.S. Department of Labor's Occupational Safety and Health Administration (OSHA), in conjunction with the Workplace Safety Consultation (WSC) project, has a special program to recognize exemplary achievements by employers in the area of workplace safety and health. The Minnesota program is the Minnesota Safety and Health Achievement Recognition Program (MNSHARP).

MNSHARP is geared to small, high-hazard workplaces. Participation at the standard level is open to employers with fixed worksites of 250 employees or fewer. If you manage multiple sites, you can participate if you have a total workforce of no more than 500 employees nationwide. Each site will be evaluated and approved individually.

If you qualify for MNSHARP participation, you will be part of a select group of employers that voluntarily take the steps needed to ensure their employees' safety and health. Minnesota OSHA (MNOSHA) is confident you will discover, by developing the well-managed safety and health program that is the basis of MNSHARP, you will not only protect your workers from injuries and illnesses, but will also reduce workers' compensation costs, improve employee morale and increase worksite productivity. These are the kinds of successes worksites across the nation have experienced. To help you, the MNOSHA WSC unit will provide free guidance and technical assistance.

There are two progressively more successful levels of MNSHARP participation. During the probationary period, you will establish or improve your workplace safety and health program. To participate in MNSHARP at this level, you must:

1. Undergo a free safety and health consultation survey of your entire workplace.
2. Correct all hazards identified by the consultant within reasonable, established time frames.
3. Establish and maintain the basic elements of an effective safety and health program. These are:
 - *management leadership and employee involvement* in the development and operation of safety and health policy, goals and objectives, and program activities;
 - *worksite analysis* to identify hazards, review accidents and injuries, and recognize injury and illness trends;
 - *hazard prevention and control* programs and procedures; and
 - *training* for employees, supervisors and managers in safe and healthful work practices.
4. Notify the consultation program when you have corrected all hazards and established your safety and health program's basic elements.
5. Agree to request another consultation visit if major changes occur in working conditions or work processes that may result in new hazards.

6. Post a notice advising your employees about your participation in MNSHARP. After correcting your worksite hazards, post a second notice listing the hazards that have been identified and corrected.

When you have completed the requirements of the preparation period and have reduced your site's lost-workday injury rate according to MNSHARP guidelines, you will receive MNOSHA's certificate of recognition and the MNSHARP award. Continued participation in MNSHARP and additional reductions in your injury rate may qualify you for continued participation in MNSHARP.

In further recognition of your commitment to voluntary excellence, and because MNOSHA believes well-managed and effective safety and health programs require less governmental enforcement oversight, the MNSHARP awards carry with them removal from MNOSHA *programmed* inspection lists. However, MNOSHA reserves the right to respond to fatalities or catastrophes, employee complaints and serious chemical spills or leaks.

If you decide to withdraw from MNSHARP, or if the consultant determines you are not meeting program requirements, you will be expected to return the certificate of recognition and the employee notice to the MNOSHA WSC unit. You will still be obligated to correct any serious hazards within the agreed time frames.